

~~CONFIDENTIAL~~OGC 4497
LS 5-114-4 Jan.*Office Memorandum* • UNITED STATES GOVERNMENT

TO : Office of General Counsel

DATE: 29 December 1954

OGC Has Reviewed

FROM : Chief, Finance Division

SUBJECT: Per Diem Allowance (Deduction for Quarters
Furnished by Government)

1. Attached is memorandum of 3 December 1954, in which the Chief, Administration and Training Staff, Security Office, has questioned the propriety of deductions in per diem in cases where Government quarters are furnished but circumstances of the assignment may preclude an employee from utilizing such quarters.

2. This Division has taken the position that applicable regulations require that the per diem allowance be reduced by at least twenty per cent in any case where Government quarters are furnished, even though the acceptance of such quarters by an employee is due to operational necessity and not choice. This position seems to be supported by decisions of the General Accounting Office which generally hold that Government quarters are considered to be furnished in any case where shelter and bedding are furnished and that in such cases authorized per diem must be reduced by at least twenty per cent. Also, such reduction of per diem appears to conform with the concept that per diem is an allowance in lieu of subsistence expenses expected to be incurred and not an allowance to which an employee becomes entitled merely by reason of occupying travel status even though no expenses are to be incurred by reason of such travel status.

3. Your review and opinion in this matter will be appreciated. In your consideration of this matter, your attention is invited to the last paragraph of the attached memorandum in which the Security Office requests that it be represented in any discussions on the matter.

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L. E. BUSH

Attachment

FD/LEB:mct

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